



INSURANCE FRAUD INVESTIGATION DIVISION

Kentucky Office of Insurance

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Charges and Convictions Activity – March 2005

Sandra Britton - On or about 6/18/05, Britton presented a fake insurance identification card to the Clay County Clerk in order to register a 1998 Ford vehicle. On 3/8/05, Britton was charged with one felony count of fraudulent insurance acts. She pled guilty to an amended misdemeanor charge of fraudulent insurance acts, and was sentenced to 12 months probated for 18 months. She was ordered to pay a fine to the Fraud Division in the amount of \$250.00 (\$1,000.00 with \$750.00 suspended) and court costs in the amount of \$145.50.

Kirk Bussey - On or about 8/7/03, Bussey presented a fake insurance identification card to the Jefferson County Clerk in order to obtain vehicle registration. On 11/30/04, Bussey was charged with one felony count of fraudulent insurance acts. On 2/23/05, he pled guilty to the amended misdemeanor charge of attempted fraudulent insurance acts over \$300. He was sentenced to 365 days conditionally discharged for two years and ordered to pay \$127.50 in court costs.

Burnis Collins - On or about 5/20/04, Collins presented a fake insurance identification card to the Knott County Clerk in order to register a 1983 Ford pickup truck. On 2/22/05 in Knott Circuit Court, Collins was charged with one felony count of fraudulent insurance acts. On 3/1/05, he pled guilty to the amended misdemeanor charge of fraudulent insurance acts and was sentenced to 12 months probated for 18 months. He was ordered to pay a fine to the Fraud Division in the amount of \$100.00 (\$1,000.00 with \$900.00 suspended) and court costs in the amount of \$125.00. He must also maintain insurance on any vehicle he owns or operates.

Anna Eisenback – Between 4/10/03 and 4/22/03, Eisenback forged signatures on three insurance applications which she then submitted to Market Finders, along with three checks which were returned for insufficient funds. She also received three return premium checks but failed to refund the money to her policyholders. On 4/7/04, Eisenback was charged with five felony counts of fraudulent insurance acts, 3 felony counts of Forgery 2nd and theft by deception over \$300 in Jefferson District Court. On 10/21/04, she pled guilty to five felony counts of fraudulent insurance acts, three felony counts of forgery 2nd, and two felony counts of theft by deception. She also pled guilty to two misdemeanor charges of fraudulent insurance acts and theft by deception. On 2/25/05, Eisenback was sentenced to two years on each felony count and 12 months on each misdemeanor count, to run concurrently. She was placed on diversion for five years and ordered to pay a fine to the Fraud Division in the amount of \$2,723.21 and \$100.00 in court costs.

Charles Maxey – On or about 10/22/03 and 2/26/04, Maxey made false material statements in support of a workers' compensation claim when he failed to disclose prior medical treatment when asked during depositions. On 3/11/05, Maxey was charged in Laurel District Court with 2 felony counts of fraudulent insurance acts. He pled guilty to two amended misdemeanor counts of fraudulent insurance acts and was sentenced to 12 months on each count to run concurrently, and placed on probation for 12 months. He was ordered to pay a fine to the Fraud Division in the amount of \$500.00 (\$1,000.00 on each count with \$750.00 suspended) and court costs in the amount of \$126.50.

Aslaim Reyes-Soto - On or about 8/3/04, Reyes-Soto presented a fake insurance identification card to the Jefferson County Clerk in order to register his vehicle. On 11/9/04, Reyes-Soto was charged with one felony count of fraudulent insurance acts. On 1/20/05, he was charged by information with criminal possession of a forged instrument II and pled guilty. He was sentenced to one year, diverted for five years, with the first year under supervised probation. The fraudulent insurance act charge was dismissed.

Monkeeter Richardson - On or about 8/7/04, Richardson presented a fake insurance identification card to the Jefferson County Clerk in order to obtain vehicle registration. On 11/30/04, Richardson was charged with one felony count of fraudulent insurance acts. On 2/17/05, she pled guilty to the amended misdemeanor charge of fraudulent insurance acts. She was ordered to pay a fine of \$100.00 and court costs in the amount of \$126.50.

Gary Slater/Oliver Bruce Hurley/Charles William Johnston - each charged with eight counts of mail fraud, one count of money laundering, two counts of criminal forfeiture.

Anita Carol Slater – charged with eight counts of mail fraud.

Carolyn Gambrel - charged with one count of money laundering and one count of criminal forfeiture.

The defendants listed above operated an employee leasing company, which provided coal miners to coal mining operations. They were required under Kentucky law to maintain workers' compensation insurance for their employees. They defrauded their workers' compensation carriers, Kentucky Employers Mutual Insurance, Birmingham Fire Insurance, and Commerce and Industry Company, by greatly under-reporting the number of employees on insurance forms. They also created two companies with similar names but only purchased workers' compensation coverage for the company with the smallest number of employees. The amount of loss to the insurance companies is approximately \$6,000,000.00. Defendants would convert these proceeds to cash by writing checks to Gambrel's Foodmart for nonexistent goods and services. Carolyn Gambrel would cash the check, take a small fee, and give the cash to Slater or Hurley. On 3/3/05, the defendants were charged in U.S. District Court Eastern District of Kentucky, in Lexington.

Raymond Smith - On or about 6/30/04, Smith provided a fake insurance identification card to his daughter, Sandra Britton, who then used the card to register a 1998 Ford vehicle. On 2/23/05 in Clay District Court, Smith was charged with one felony count of fraudulent insurance acts. He pled guilty to an amended misdemeanor charge of fraudulent insurance acts and was sentenced to 12 months probated for 18 months. He was ordered to pay a fine to the Fraud Division in the amount of \$250.00 (\$1,000.00 with \$750.00 suspended) and court costs in the amount of \$145.50. He must also maintain insurance on any vehicle he owns or operates.